FRANK R. ELLERBE, III

DIRECT 803 227.1112 DIRECT FAX 803 744.1556

fellerbe@robinsongray.com

August 20, 2021

VIA ELECTRONIC FILING HAND DELIVERY OF CONFIDENTIAL ATTACHMENT 1

The Honorable Jocelyn Boyd Chief Clerk / Executive Director Public Service Commission of South Carolina 101 Executive Center Drive, Suite 100 Columbia, SC 29210

Re: Cherokee County Cogeneration Partners, LLC v. Duke Energy Carolinas, LLC and Duke Energy

Progress, LLC

Docket No. 2020-263-E

Dear Ms. Boyd:

Enclosed is the Proposed Order submitted on behalf of Duke Energy Carolinas, LLC ("DEC") and Duke Energy Progress, LLC ("DEP" and together with DEC, the "Companies"), which is being filed pursuant to instructions from Chairman Williams at the close of the hearing on July 30, 2021. We are also enclosing a public version of Attachment 1 to the Proposed Order, which is the term sheet reflecting a 10-year dispatchable tolling agreement and DEC's then-current avoided cost rates circulated to Cherokee County Cogeneration Partners, LLC ("Cherokee") on February 10, 2021.

Attachment 1 contains confidential information and was entered into the record under seal as Composite Hearing Exhibit 3 (Confidential Keen Direct Exhibit 3). The information for which the companies seek protection is confidential and proprietary, and the Companies respectfully request that pursuant to S.C. Code Ann. § 30-4-40(a)(1), the redacted portions of this Attachment are exempt from disclosure under the Freedom of Information Act, S.C. Code Ann. §§ 30-4-10 et seq. and S.C. Code Ann. Regs. 103-840(S)(1). The confidential version of Attachment 1 is being hand delivered to the Commission.

The Companies also note for the Commission that the second extension to the 2012 PPA between DEC and Cherokee that the Commission granted on April 28, 2021 is set to expire on August 28, 2021. To avoid any uncertainty in the rates due to Cherokee after August 28, 2021 as well as additional overpayments, the Companies respectfully request that the Commission either: (1) enter a final order

MAIN 803 929.1400 FAX 803 929.0300



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in this matter on or before August 28, 2021; or (2) enter an interim order providing direction to DEC as to the rate that it should pay to Cherokee until entry of a final order.

Yours truly,

Frank R. Ellerbe, III

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Attachment

c w/attachment via email: Jo Anne Wessinger Hill, Hearing Officer

Parties of Record

Heather Shirley Smith, Deputy General Counsel

E. Brett Breitschwerdt, Esquire Tracy S. DeMarco, Esquire